Purchase of Bio-diesel

2340. SHRIMATI HEMA MALINI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have decided to purchase bio-diesel extracted from plants like jatropha for mixing it with diesel;

(b) if so, the expected annual yield of bio-diesel per annum, and the cost thereof; and

(c) the steps taken for procurement of bio-diesel for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) The Ministry of Petroleum and Natural Gas announced a Bio-diesel Purchase Policy, in October, 2005,effective 1.1.2006. The policy identifies 20 purchase centres of the public sector oil marketing companies (OMCs) all over the Country where these companies would purchase bio-diesel which needs the standards prescribed by the Bureu of Indian Standards (BIS), from those bio-diesel manufacturers who register with them after satisfying the technical specification, at a delivered price of Rs. 25/- litre. The price will be reviewed by the OMCs every six months. Depending upon felt need and preparedness, the OMCs could also open more purchase centres.

While the plantation of Jatropha is under progress in various States, the actual yield/cost of seeds/non-edible vegetable oil/bio-diesel is not established as yet. It is estimated that around 1.0 tone of bio-diesel can be produced from plantation of Jatropha (from 3rd year onwards) on one hectare of land.

Investment in refining sector

2341. SHRI BALAVANT *ALIAS* BAL APTE:
SHRI KRIPAL PARMAR:

Will the Minister of PETROLEUM AND NATURALGAS be pleased to state:

(a) whether petroleum products like petrol, diesel, LPG etc. are being sold to the consumers in the country on the basis of import, despite the fact that there is huge domestic investment in the refineries in the country;

(b) if so, the names of the beneficiaries of such huge domestic investment;

(c) the reasons for not percolating these benefits down to the common consumers in the country;

(d) whether Government would consider to formulate a new oil pricing policy to safeguard the interest of the consumers in the country; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) With the declared intention of moving towards market determined pricing for petroleum products, the Government on1.4.2002 announced dismantling of Administered Pricing Mechanism. Effective 1.4.2002, retail selling prices of products except subsidized products are fixed on import parity basis by the marketing companies. However, since end 2003, there has been an unprecedented and spiraling increase in international oil prices and Oil companies have been modulating the price of petrol and diesel also in addition to maintaining the prices of subsidized domestic LPG and PDS kerosene. In consequence they have been suffering huge under-recoveries on sale of these products.

(d) and (e) With a view to devise a long term strategy for pricing of petroleum products, the Government had constituted an Inter-Ministerial Committee under the Chairmanship of Dr. C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister to examine different aspects of pricing and taxation of petroleum products with a view to stablizing/rationalizing their prices. The Committee submitted its report on 17.2.2006. The report is under examination of the Government.

Expenditure on advertisement by ONGC

2342. PROF. P.J. KURIAN: Will the Minister of PETROLEUM AND NATURALGAS be pleased to state:

(a) the total advertisements given by ONGC in 2005-06 to newspapers, magazines, TV channels and all other media, giving separate figures for the print and visual media;

(b) what is the purpose of ONGC giving advertisements;

(c) whether ONGC has any plans to increase its advertisements in the coming year; and

(d) the reasons for such expenditure by ONGC?